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September 20, 2011

Los Angeles County Board of Supervisors

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Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

John F. Schunhoff, Ph.D.
Chief Deputy Director

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director

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FOR

SUBJECT: **RECOMMENDATIONS FOR DELEGATED AUTHORITY FOR THE DEPARTMENTS OF HEALTH SERVICES AND MENTAL HEALTH TO OFFER HEALTHY WAY L.A. AGREEMENTS TO RYAN WHITE HIV MEDICAL OUTPATIENT PROVIDERS AND TO AMEND EXISTING HEALTHY WAY L.A. AGREEMENTS REQUIRED FOR THE CALIFORNIA 1115 WAIVER AND FOR THE DEPARTMENT OF PUBLIC HEALTH TO AMEND EXISTING RYAN WHITE OUTPATIENT MEDICAL SERVICES AGREEMENTS TO ENSURE COORDINATION WITH THE HEALTHY WAY L.A. PROGRAM (Board Agenda Item A-4, September 20, 2011)**

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Los Angeles, CA 90012

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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

On November 2, 2010, California Department of Health Services (CDHS) and Centers for Medicare and Medicaid (CMS) entered into a new 1115 Waiver (Waiver), commonly known as the *California Bridge to Reform*, for a five year period, commencing November 1, 2010. This Waiver provides the framework to federal Health Care Reform in 2014 for Medicaid Coverage Expansion (MCE) enrollees who are adults, aged 19-64, with incomes at or below 133% of the Federal Poverty Level (FPL) and who meet citizenship or legal residence requirements. The Waiver will provide health care coverage expansion, continued partial funding of public hospitals' uncompensated costs, new funding for delivery system improvements at public hospitals, Medi-Cal Managed Care for Seniors and Persons with Disabilities (SPDs), and federal matching funds for various State-only funded programs.

On December 14, 2010, your Board authorized the Department of Health Services (DHS) to submit action items related to the 1115 Waiver to your Board on a standing agenda item designated as A-4. This memo requests your Board's approval of recommendations of delegated authority to offer and execute new Healthy Way LA agreements for the Matched Program to seven community HIV medical outpatient providers with existing contracts as part of the Department of Public Health (DPH) Division of HIV and STD Programs' (DHSP) Ryan White outpatient medical services network, and to



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amend existing Healthy Way L.A. Matched agreements as needed to transition HIV patients from the Ryan White program to Healthy Way L.A.

DHS Healthy Way L.A. Agreements

On June 14, 2011, your Board approved recommendations to approve and authorize the Director of Health Services to execute superseding agreements for the Healthy Way LA Health Care Initiative Program to implement the MCE component of the Low Income Health Program (LIHP), as part of the California 1115 Waiver. These agreements replaced existing Healthy Way LA and Public Private Partnership agreements and were effective July 1, 2011.

Over the past month, there has been ongoing discussion among the State, the LIHP counties, and the federal agencies, CMS and the Health Resources and Services Administration (HRSA), to determine whether LIHP-eligible persons with HIV must enroll in the LIHP, rather than receiving their medical care through the Ryan White Part A program and thereby receiving their pharmaceuticals through the State and Ryan White-funded AIDS Drug Assistance Program (ADAP). HRSA and CMS have now confirmed that Ryan White funding is funding of "last resort" and thus have determined that HIV patients who are LIHP eligible must enroll in the LIHP to receive federal funding for their LIHP covered services, including pharmaceuticals.

Over the past 20 years, the Department of Public Health (DPH) has developed and funded the Ryan White system of care, working within the priorities of the Commission on HIV, the Ryan White planning council for the County. This system of care includes County facilities and community agencies. Many of these community agencies are also Community Partners (CPs) under the HWLA agreements, but some are not. The full list of Ryan White providers is on Attachment A, broken down by those who are Community Partners and the seven additional who are not.

DHSP estimates that as many as 5,000 of the 15,500 Ryan White clients receiving medical care are eligible for the HWLA-Matched program. DHS, DHSP, and the Department of Mental Health (DMH) have held two HIV provider meetings in order to determine what is needed in order to transition this volume of patients from Ryan White to HWLA, while assuring continuity of care.

Although the HWLA network already includes a significant percentage of the Ryan White providers, agreements with the other providers are recommended for two reasons, 1) continuity of care for the patients (so they will not have to change providers); and 2) ensuring adequate capacity for HIV patients in the LIHP, which will help to ensure that the County complies with its obligations under the Waiver.

In addition to bringing these providers into HWLA, two key issues must be addressed. ADAP clients have been able to get their prescriptions filled at ADAP-contracted retail pharmacies, including ADAP-contracted pharmacies located within onsite HIV provider clinics. In some of the larger HIV provider clinics, these onsite pharmacies serve as the primary source of patient

medication dispensing. In order to maintain the ability of the HIV community providers to dispense these drugs onsite, a pharmacist dispensing fee must be reimbursed. If DHS provides a dispensing fee for HIV pharmacy medications, we will need to extend it to all HWLA prescriptions for legend drugs dispensed by a licensed pharmacy, and add this fee into the clinic reimbursement portion of the HWLA agreement. The second issue concerns specialty care for HIV patients. The Ryan White network has funded specialty care with a panel of private providers identified over the years. In order to assure the continuity of specialty care for the HIV patients, the DPH Ryan White medical outpatient agreements will be amended so that DHS will be billed for and will pay the specialty care visits of HWLA enrollees. This will assure the continuity of care for current Ryan White patients who are HWLA eligible..

Further, using authority already delegated by your Board to incorporate any changes required by the State and/or federal governments, DHS also will modify all Matched Program agreements to include the treatment of HIV as an allowable service. That service currently is excluded. Therefore, all existing providers as well as the additional seven will be permitted to provide this service.

DPH Ryan White Agreements

DHS and DPH will work closely with the current Ryan White medical outpatient providers to ensure that the full complement of services currently available to Ryan White clients remains intact and to mitigate challenges that clients may face in making the transition from their current service delivery model to HWLA. DHSP will work with individual Ryan White medical outpatient providers to amend scopes of work in a manner that maximizes the delivery of medical care linkage, navigation and coordination services in addition to medical services that will assist clients in transitioning to HWLA.

The most efficient strategy to align payment structures across the spectrum of HWLA and the Ryan White program is through the completion of the Medical Services Request for Proposals that was issued by DHSP in March 2010. DHSP will have new agreements on the Board agenda by January 1, 2012. The shift to fee-for-service will align Ryan White and HWLA reimbursement methods and allow for better tracking of clients and proper enrollment in the system for which each client is eligible, maximizing the opportunity for the Ryan White system to cover costs that might otherwise be borne by HWLA.

In the meantime, DHSP is requesting delegated authority to make adjustments to existing Ryan White Medical Outpatient agreements to maximize the delivery of medical care linkage, navigation, and coordination of services that will assist clients in transitioning to HWLA and to assure the continuation of specialty care for those transitioning to HWLA.

DMH Healthy Way L.A. Agreements

Although DMH previously received Board delegated authority to enter into HWLA mental health service agreements with CPs under contract with DHS, DMH does not have the authority to

enter into agreements with other Ryan White providers. Thus, delegated authority for this is recommended.

Funding

The decision that certain Ryan White clients must migrate to the LIHP has significant funding challenges for the County, mostly in pharmaceutical costs. The current estimate is that ADAP drugs for this group of clients in L.A. County approximates \$66 million per year, and the County will have to bear half of that cost. This is a major cost shift from the State to the County. The medical outpatient services funded through these agreements are, by comparison, a relatively small part of the total cost.

County staff have been working with the State and the City/County of San Francisco on a Waiver amendment proposal which would provide some milestone-based funding to all LIHP counties to help them transition this HIV population from Ryan White to LIHP and then to Medi-Cal in 2014. DHS also intends to work with the CEO and County Counsel to determine if any means exist by which DHS may minimize this financial impact.

RECOMMENDATIONS

It is recommended that your Board:

1. Delegate authority to the Director of Health Services, or his designee, to:
 - a. Offer and execute amendments to all existing Healthy Way L.A. agreements for the Matched Program to include dispensing fee for legend prescriptions filled at licensed pharmacies, at a cost not to exceed \$9.00 per prescription, effective October 1, 2011, and
 - b. Offer and execute new Healthy Way LA agreements for the Matched Program to seven community HIV providers not currently in the Healthy Way L.A. program, as listed on Attachment A, effective October 1, 2011, with the agreements to be substantially similar to those previously approved by your Board, and to include the pharmacy dispensing fee, not to exceed \$9 per prescription.
2. Delegate authority to the Director of Public Health or his designee, to amend existing Ryan White medical outpatient agreements in a manner that maximizes the delivery of medical care linkage, navigation, and coordination of services that will assist clients in transitioning to HWLA and to assure the continuation of specialty care for those transitioning to HWLA.
3. Delegate authority to the Director of Mental Health or his designee to:
 - a. Offer and execute amendments to existing Healthy Way L.A. Agreements for the Matched Program for specialty mental health services as specified under the LIHP with agencies providing Ryan White Care Act Medical Outpatient services and
 - b. Offer and execute new Healthy Way L.A. Matched Program agreements for specialty mental health services as specified under the LIHP to existing Ryan White providers which do not already have Healthy Way L.A. Agreements

Each Supervisor
September 20, 2011
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If you have any questions or need additional information, please contact me or your staff may contact John Schunhoff, Ph.D., Chief Deputy Director of Health Services, at (213) 240-8370.

MHK:JFS:jp

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Mental Health
Public Health
Commission on HIV

Attachment A

Ryan White Providers in HWLA Network

Community Providers

AltaMed Health Services Corporation
Catalyst Foundation
East Valley Community Health Center
El Proyecto del Barrio
Northeast Valley Health Corporation
T.H.E. Clinic
Tarzana Treatment Centers
Valley Community Clinic
Watts Healthcare Corporation

County Providers

Harbor-UCLA
High Desert MACC
Humphrey Comp. Health Center
LAC/USC (including Rand Schrader,
Maternal Child Adolescent, and
Weingart Clinics)
Long Beach Comp. Health Center
MLK MACC Oasis Clinic
Olive View-UCLA

Ryan White Providers Not in HWLA Network

AIDS Healthcare Foundation
Childrens Hospital LA
City of Long Beach
City of Pasadena
LA Gay and Lesbian Center
Miller Memorial Childrens Hospital
St. Mary's Medical Center



October 4, 2011

Los Angeles County Board of Supervisors

Gloria Molina First District

Mark Ridley-Thomas Second District

Zev Yaroslavsky Third District

Don Knabe Fourth District

Michael D. Antonovich Fifth District

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D. [Signature]
Director of Health Services

SUBJECT: ENSURING CONTINUITY OF CARE FOR RYAN WHITE BENEFICIARIES

Mitchell H. Katz, M.D. Director
Hal F. Yee, Jr., M.D., Ph.D. Chief Medical Officer
John F. Schunhoff, Ph.D. Chief Deputy Director

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

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PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White providers that are not currently part of the HWLA network. DPH and DMH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

In early September 2011, DHS, the San Francisco Department of Public Health, and the California Association of Public Hospitals and Health Systems provided the California Department of Health Care Services (DHCS) with a proposal to modify the current California Medicaid Waiver to address issues associated with the migration of Ryan White clients to the Low Income Health Program (LIHP) known as the Healthy Way LA in Los Angeles County. The Waiver amendment would provide supplemental payments to LIHPs which develop specific HIV Transition Plans that assure the careful management of HIV clients into LIHPs to avoid disruption of care. Financing would come from an estimated increase in available Waiver budget neutrality room.

During the week of September 19th, DHCS had an initial conference call with staff from the Centers for Medicaid and Medicare Services (CMS) about the Waiver amendment. According to DHCS, the meeting was productive and no

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major programmatic issues were raised. However, DHCS did indicate CMS approval of the amendment will depend on CMS' assessment of the available budget neutrality room and the use of available funding for this purpose. DHS will continue to monitor this issue and report any new developments.

RYAN WHITE PATIENT CARE TRANSITION PLAN

DHS, DMH and DPH continue to refine their transition plans and will provide the first monthly report on these plans to your Board by October 20, 2011.

If you have any questions or require additional information, please let me know.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



October 20, 2011

Los Angeles County Board of Supervisors

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TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director of Health Services

Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer, Public Health

Marvin J. Southard, D.S.W.
Director, Mental Health

SUBJECT: ENSURING CONTINUITY OF CARE FOR RYAN WHITE BENEFICIARIES

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PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. DPH and DMH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

Since our last report on October 4, 2011, the California Department of Health Care Services (DHCS) had a second conference call with staff from the Centers for Medicaid and Medicare Services (CMS) about the Waiver amendment the week of October 10th. The Waiver amendment would provide supplemental payments to Low Income Health Programs (LIHPs) which develop specific HIV Transition Plans that assure the careful management of HIV clients into LIHPs to avoid disruption of care. Financing would come from

an estimated increase in available Waiver budget neutrality room. Based on the second conference call, CMS has asked DHCS to develop further background on details of the financing mechanism for the amendment proposal. On October 18, 2011, DHCS convened a conference call with DHS, the San Francisco Department of Public Health, and the California Association of Public Hospitals and Health Systems to discuss the requested materials, and agreed to develop them by October 28, 2011.

RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include LIHP eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

Although it is likely that transition will not begin for a few months, DHS, DPH and DMH are putting transition plan elements in place now to avoid disruption in care when implementation does begin.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) have been updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts have been offered to the seven RW providers that are not currently HWLA CPs. DHS has provided the amendments and contracts to current and potential CPs and asked them to sign for execution by November 1, 2011. DHS, DPH and DMH staff are hosting a third meeting with RW providers on October 20, 2011 to answer questions and provide additional information on HWLA contracts and other aspects of the transition.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. *Pharmacy Administrator Contract* - DHS is working with County Counsel to negotiate an agreement, to be presented to your Board for approval as soon as possible, with a contract pharmacy administrator (PA). This arrangement will assist HIV patients, HIV CPs and DHS by:
 - Providing more pharmacy access points to patients
 - Providing pharmacy access to clinics currently lacking an onsite pharmacy or contract arrangement with an offsite pharmacy
 - Streamlining billing and reimbursement for CPs with onsite pharmacies, to mitigate cash flow issues that can arise for providers purchasing expensive HIV medications

Providers interested in using the PA mechanism will also need to have a contract with the PA. As part of DHS' provider outreach, it is informing providers of this option, soliciting interest among providers in participation, and connecting them to the PA. Providers that do not wish to use the PA will have the opportunity to bill for pharmacy under the current HWLA process of submitting claims for reimbursement.

Phase I of the pharmacy administrator contract will be targeted to HIV providers, to mitigate issues associated with HIV medications. However, Phase II of this effort will expand access to all HWLA providers and expand the role of the pharmacy administrator to a Pharmacy Benefits Management (PBM) role.

2. *Provider Outreach* – The CPO has worked with DPH staff to determine providers that do not have onsite pharmacies or contract pharmacy arrangements capable of managing the needs of the transitioning RW patients. CPO staff is providing outreach to those providers to make arrangements for any pharmacy access needed until the pharmacy administrator contract is accessible. It is anticipated that this will involve very few patients, if any, depending on the ultimate implementation date determined by the State for transition.

Approximately 630-1050 patients are seen by non-DHS providers that do not currently have a pharmacy or pharmacy contract arrangement for HIV medications. If transition begins before the PA agreement is in place, approximately 50-90 patients per month would have to be redirected to the nearest DHS pharmacy for prescriptions. Prescriptions filled at Multi-Service Ambulatory Care Centers (MACCs) and Comprehensive Health Centers (CHCs) would present increased costs to DHS until 340B applications for those locations are approved by the Health Resources and Services Administration (HRSA).

3. *Ensuring Capacity at DHS Pharmacies* - Historical data is being analyzed for DHS pharmacy sites against the proposed volume of transitioning HIV patients, to assess impact to operations, and resources required to accommodate those patients.

340B program applications were submitted for High Desert MACC, MLK MACC, Hudson CHC, Humphrey CHC and Long Beach CHC during September 2011 by CPO staff. A request was forwarded to 340B Coalition legal counsel, to provide assistance with HRSA in expediting these applications. HRSA has been in contact with DPH to confirm receipt of these applications and to verify Ryan White grantee status of each site. Approval of 340B status for those sites is expected by January 2012.

4. *Formulary Assessment* – The CPO has completed a comparison of the DHS drug formulary and the AIDS Drug Assistance Program (ADAP) formulary and discussed results with the medical director for DPH's Division of HIV and STD Programs (DHSP). Necessary HIV agents are being added to the DHS formulary, and a review process has been determined to review future pharmaceutical formulary requests.

5. *Dispensing Fee* – The dispensing fee included with new HWLA contracts will help to support pharmacy services by community providers and continuity for patients access
6. medications at those sites. For drugs dispensed by a licensed pharmacy, CPs can be reimbursed up to \$9, with the exception of drugs commonly available for \$4.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available immediately to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DPH and DHS will facilitate a focus group with ADAP eligibility screeners in November to assess the group's readiness to process HWLA applications. DHS will provide an in-person training for providers in December with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. The month of December is targeted because it is anticipated that State implementation of the transition will not occur until at least January, and training will be more effective closer to implementation. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Mental Health

DHSP, DMH and DHS are working closely to minimize the overlap of mental health services to be covered under HWLA, and those covered as part of the RW-funded service continuum. This involves clearly defining the populations to be served under HWLA. The Departments jointly reviewed eligibility requirements and the service package for Tier 2 HWLA specialty mental health services, including the diagnostic profiles, treatment protocols, and service delivery needs of the clients served by RW funding. DMH and DHSP have since exchanged additional data to determine the nexus between the RW clients' mental health service needs and HWLA Tier 2 eligibility criteria and service package.

DHSP is using this information to modify applicable RW-funded contracts to ensure continuity of mental health services not covered by HWLA, as well as compliance with the RW payor of last resort requirement.

DMH is contacting RW providers that are not yet CPs to offer them DMH CP Mental Health Agreements to deliver specialty mental health services to HWLA-eligible clients.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

Community Communication Strategy

DPH has developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- Patients: DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA;
- Non-Medical Providers: DPH plans to host a meeting for non-medical support providers (case managers) in November to explain the transition and to share materials that providers can share with patients;
- Medical Providers: DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document.
- DPH, DHS and DMH have hosted three meetings with providers and will schedule future meetings as necessary.

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October 20, 2011
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NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

November 7, 2011

**Los Angeles County
Board of Supervisors**

Gloria Molina
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Fifth District

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: *MH* Mitchell H. Katz, M.D. *MH Katz*
Director

**SUBJECT: ENSURING CONTINUITY OF CARE FOR RYAN WHITE
BENEFICIARIES**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
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EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

Since our last report on October 20, 2011, the California Department of Health Care Services (DHCS) developed a document including additional details of the financing mechanism of the proposed Waiver amendment, as requested by the Centers for Medicaid and Medicare Services (CMS). This document was discussed on a call the first week of November with DHS, the San Francisco Department of Public Health and the California Association of Public Hospitals and Health Systems. The parties agreed to provide comments on the document to DHCS for submission as soon as possible to CMS.

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Each Supervisor
November 7, 2011
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RYAN WHITE PATIENT CARE TRANSITION PLAN

DHS, DPH and DMH provided a report on the transition plan to your Board on October 20, 2011 and will provide the next report by November 18, 2011.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at (213) 240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

November 21, 2011

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Board of Supervisors**

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TO: Supervisor Michael D. Antonovich, Mayor
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FROM:  Mitchell H. Katz, M.D.
Director of Health Services 

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN WHITE
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John F. Schunhoff, Ph.D.
Chief Deputy Director

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. DPH and DMH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

Since our last report on November 7, 2011, information about the proposed Waiver amendment is still under review by the California Department of Health Care Services (DHCS) and the Centers for Medicaid and Medicare Services (CMS).

RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing and Submission of State Plan

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include Low Income Health Program (LIHP) eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

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Although it is likely that transition will not begin for a few months, DHS, DPH and DMH are putting transition plan elements in place now to avoid disruption in care when implementation does begin.

DPH submitted the joint DPH/DHS plan for transitioning Ryan White supported clients to HWLA to the California Department of Public Health, Office of AIDS on November 15, 2011.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution beginning November 1, 2011. As of November 17, 2011; 42 of 53 current HWLA CPs have signed contract amendments. Of the seven RW providers offered new agreements, three have already signed agreements and three more have indicated their intent to sign.

DHS, DPH and DMH staff hosted a third meeting with RW providers on October 20, 2011 to answer questions and provide additional information on HWLA contracts and other aspects of the transition.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. *Pharmacy Administrator Contract* – DHS is working with County Counsel to negotiate an agreement, to be presented to your Board for approval as soon as possible, with a 340B contract pharmacy administrator (CPA). This arrangement will assist HIV patients, HIV CPs and DHS by:
 - Providing additional contract pharmacy access points to patients
 - Providing contract pharmacy options for clinics that do not have a current 340B contract pharmacy arrangement in place
 - Streamlining billing and reimbursement for CPs with onsite pharmacies, to mitigate cash flow issues that may arise for providers purchasing HIV medications

In order to ensure compliance with HRSA 340B regulations, Ryan White clinics interested in using the CPA mechanism will also need to have a contract with the CPA and the contract pharmacy. DHS will inform clinics of their pharmacy access options once the CPA contract is negotiated. DHS will also solicit interest among contract pharmacies for participation in our pharmacy network, and connect clinics and interested pharmacies to the CPA. Providers that do not wish to use the CPA will have the opportunity to bill for medications under the current HWLA process of retroactively submitting claims for reimbursement.

2. *Contingency Planning* – At this time, it is anticipated that the CPA arrangement will be in place before patients begin to transition from ADAP to HWLA. However, in the event that the transition begins earlier, DHS is making contingency plans. The DHS CPO has worked with DPH staff to identify providers that do not have onsite pharmacies or identified HRSA-approved contract pharmacy arrangements capable of managing the needs of the transitioning RW patients. CPO staff will provide outreach, as needed, in the event that pharmacy access is needed prior to the 340B pharmacy administrator contract being accessible. It is anticipated that this will involve very few patients, if any, depending on the ultimate implementation date determined by the State for transition.
3. *Ensuring Capacity at DHS Pharmacies* – Historical data is being analyzed for impacted DHS pharmacy sites against the proposed volume of transitioning HIV patients, to assess impact to operations, and resources required to accommodate those patients.

In order to provide 340B drug pricing access for identified DHS RW grant sites, 340B program applications were submitted to HRSA for High Desert MACC, MLK MACC, Hudson CHC, Humphrey CHC and Long Beach CHC during September 2011 by the CPO. HRSA has been in contact with DPH to confirm receipt of these applications and to verify RW grantee status of each site. Approval of 340B status for these DHS sites is expected by January 2012.

4. *Formulary Assessment* – The CPO has completed a comparison of the DHS Core Drug Formulary and the ADAP formulary and discussed results with the medical director for DPH's Division of HIV and STD Programs (DHSP). Necessary HIV agents were added to the DHS Core Drug Formulary earlier this month, and a review process has been determined to review future pharmaceutical formulary requests.
5. *Dispensing Fee* – The dispensing fee included with new HWLA contracts will help to support pharmacy services by community providers and continuity for patients accessing medications at those sites. For drugs dispensed by a licensed pharmacy, CPs can be reimbursed up to \$9, with the exception of drugs commonly available for \$4. The CPO will review market rates for 340B contract pharmacy dispensing fees with the 340B Contract Pharmacy Administrator, and recommend adjustments as needed.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available immediately to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DHS will provide an in-person training for providers in late January with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. The month of January is targeted because it is anticipated that State implementation of the transition will not occur until at least February or March, and training will be more effective closer to implementation. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Mental Health

Below is a summary of key DMH activities in the last month to facilitate the transition of RW patients with mental health needs.

- On October 24, 2011, hosted a meeting to orient providers to the elements of the 1115 Waiver Mental Health Community Partner Agreement. Topics covered at the meeting included: Overview of HWLA and the Mental Health Benefit; Services to be Delivered Under Tier 2; Contracting Process; Clinical Record/Documentation Requirements; Financial Screening; Creating Client Records and Claiming in the Integrated System (IS); and Reimbursement. Time was reserved at the end of the meeting for individual discussions with providers about their interest in, and readiness for, a Mental Health Agreement.
- On November 2, 2011, hosted a make-up orientation meeting for two providers that missed the October 24 meeting.
- Assisted several providers with the application process to get on the Mental Health Services Act (MHSA) Master Agreement List in order to facilitate their eligibility to contract with DMH for Prevention and Early Intervention (PEI) funding.
- Invited RW providers to attend the November 2-3, 2011, Mental Health Integration Program (MHIP) training to learn the Tier 2 integrated treatment model. Seven RW agencies participated.

- On November 15, 2011, provided training on the Mental Health clinical record and service documentation requirements for the 1115 Waiver Mental Health Community Partner Agreement.
- Continuing to work with each agency on the scope of their new agreement. DMH is prepared to execute agreements as agencies express readiness.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

Community Communication Strategy

DPH has developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- Patients: DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA;
- Non-Medical Providers: On November 17, 2011, DHSP facilitated a meeting for approximately 80 case managers, benefits specialists and program managers. The purpose of the meeting was to provide front line providers with current and accurate information regarding the transition of care from RW to HWLA that they can share with their clients.
- Medical Providers: DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document.
- DPH, DHS and DMH have hosted three meetings with providers and will schedule future meetings as necessary.

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

December 5, 2011

**Los Angeles County
Board of Supervisors**

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director

**SUBJECT: ENSURING CONTINUITY OF CARE FOR RYAN WHITE
BENEFICIARIES**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

John F. Schunhoff, Ph.D.
Chief Deputy Director

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PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. DPH and DMH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

The California Department of Health Care Services (DHCS) developed a document including additional details of the financing mechanism of the proposed Waiver amendment, as requested by the Centers for Medicaid and Medicare Services (CMS). This document is currently under review by CMS.

This will be the last bi-weekly report on the proposed Waiver amendment. Reports on this subject will continue on a monthly basis as part of the patient care transition plan report referenced below.

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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Each Supervisor
December 5, 2011
Page 2

RYAN WHITE PATIENT CARE TRANSITION PLAN

DHS, DPH and DMH provided a report on the transition plan to your Board on November 21, 2011 and will provide the next report by December 20, 2011.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at (213) 240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



December 22, 2011

Los Angeles County Board of Supervisors

Gloria Molina First District

Mark Ridley-Thomas Second District

Zev Yaroslavsky Third District

Don Knabe Fourth District

Michael D. Antonovich Fifth District

Mitchell H. Katz, M.D. Director

Hal F. Yee, Jr., M.D., Ph.D. Chief Medical Officer

John F. Schunhoff, Ph.D. Chief Deputy Director

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TO: Each Supervisor
FROM: Mitchell H. Katz, M.D. Director of Health Services
SUBJECT: ENSURING CONTINUITY OF CARE FOR RYAN WHITE BENEFICIARIES

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White (RW) patient care transition plan and monthly reports on efforts to ensure continuity of care.

PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven RW providers that are not currently part of the HWLA network. DPH and DMH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

The California Department of Health Care Services (DHCS) provided details of the financing mechanism of the proposed Waiver amendment to the Centers for Medicaid and Medicare (CMS), and indicated a positive response from CMS on that document. In addition, CMS requested more information on the care delivery system improvements that Los Angeles and other Counties would implement for the RW transition population as part of the Waiver amendment. DHS and DPH are working together to produce this information and anticipate submitting it to DHCS in early January.

RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing and Submission of State Plan

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include LIHP eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

Although it is likely that transition will not begin for a few months, DHS, DPH and DMH are putting transition plan elements in place now to avoid disruption in care when implementation does begin.

DPH submitted the joint DPH/DHS plan for transitioning RW supported clients to HWLA to the California Department of Public Health (CDPH), Office of AIDS on November 15, 2011. As part of this plan, Los Angeles County indicated to CDPH that implementation of our proposed Contract Pharmacy Administrator (CPA), described below, is a critical pre-condition to the transition of RW clients to HWLA.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. As of December 14, 2011; 50 of 53 current HWLA CPs have signed contract amendments. Of the seven RW providers offered new agreements, six have signed.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS has taken multiple steps to ensure that appropriate medication access is available for RW patients transitioning to HWLA. DHS continues to work with County Counsel to negotiate a CPA agreement, which will be presented to your Board for approval as soon as possible. Per the information provided in the last update, the CPA agreement will assist HIV CPs and DHS by providing pharmacy access options and streamline billing and reimbursement for CPs with on-site or contracted pharmacies. It will be recommended that the CPA negotiate pharmacy dispensing fees in conjunction with DHS, taking into account local market pharmacy dispensing fees per geographical location. DHS plans to work with the CPA to identify community pharmacies with geographical proximity to provider clinics with the goal of maximizing pharmacy access.

Provider clinics interested in using the CPA claims reimbursement mechanism will also need to have a contract with the CPA and at least one contract pharmacy. Providers that do not wish to use the CPA for electronic claims submission will have the opportunity to bill for pharmacy under the current HWLA process of submitting retroactive claims for reimbursement.

HRSA informed the DHS CPO that approval has been granted for 340B pricing access for HIV medications dispensed within High Desert MACC, MLK MACC, Hudson CHC, Humphrey CHC and Long Beach CHC pharmacies effective January 1, 2012.

DHS has identified a contingency plan; utilizing DHS-operated pharmacies, to ensure patient access to at least one pharmacy should the need to implement a contingency plan arise. However, it has been requested that the State allow for the implementation of the CPA plan prior to initiating the RW transition within LA County.

DHS has approved a drug formulary for HWLA HIV patients, which took into consideration the current ADAP formulary. Three additional therapeutic agents were added to the DHS Core Formulary in November 2011 in order to meet HIV patient care needs.

Ensuring Continuing Access to Specialty Care

Currently, RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DHS will provide an in person training for providers in January with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. The month of January is targeted because it is anticipated that State implementation of the transition will not occur until at least January, and training will be more effective closer to implementation. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Department of Mental Health

DMH continues to work with each RW agency on the scope and detail of their new or amended Agreement. DMH remains prepared to execute or amend Agreements as agencies express readiness. DHSP and DMH will host a meeting with providers of mental health services funded with RW dollars to discuss services covered under HWLA, and explore strategies for avoiding duplication of services. The meeting has been scheduled for January 18, 2012 at DHSP headquarters.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

Community Communication Strategy

DPH has developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- Patients: DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA;
- Non-Medical Providers: On November 17, 2011, DHSP facilitated a meeting for approximately 80 case managers, benefits specialists and program managers. The purpose of the meeting was to provide front line providers with current and accurate information regarding the transition of care from RW to HWLA that they can share with their clients.
- Medical Providers: DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document, now posted on the DHSP website.
- DPH, DHS and DMH have hosted three meetings with providers and will schedule future meetings as necessary.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS is training HWLA member services representatives to answer questions from transitioning RW clients.

NEXT STEPS

DHS, DPH and DMH will continue to work in conjunction with the HIV community providers to ensure continuity of care for patients transitioning from RW to HWLA. Monthly status updates will be provided to your Board; the next report is targeted for January 20, 2012.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:WS:rm

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

January 20, 2012

**Los Angeles County
Board of Supervisors**

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Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

John F. Schunhoff, Ph.D.
Chief Deputy Director

TO: Each Supervisor

FROM: *for* Mitchell H. Katz, M.D. *W Schwartz*
Director of Health Services

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN WHITE
BENEFICIARIES**

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. On December 21, 2011, DMH notified your Board of its intent to execute agreements or amendments with RW providers. DPH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

CMS requested more information on the care delivery system improvements that Los Angeles and other Counties would implement for the RW transition population as part of the Waiver amendment. DHS and DPH worked with the San Francisco Department of Public Health and the California Association of Public Hospitals to produce this information and anticipate submitting it to DHCS very soon.

RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing and Submission of State Plan

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include LIHP eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

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DPH has communicated to the California Department of Public Health (CDPH) Office of AIDS, that Los Angeles County will not be ready to begin the transition of patients until at least July 2012. First, we want to ensure that our proposed pharmacy administrator contract (described below) and the accompanying pharmacy network and provider contracts, are fully implemented prior to transition to ensure maximum access for patients and stability for providers. Second, DHS anticipates transitioning HWLA enrollment to the LEADER system in June 2012, and wants to train eligibility workers on the new system before transition takes place.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. At this time, 51 of 53 current HWLA CPs have signed contract amendments. Of the seven RW providers offered new agreements, six have signed.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. *Pharmacy Administrator Contract* - DHS is working with County Counsel to negotiate an agreement, to be presented to your Board in February 2012, with a contract pharmacy administrator (PA). This agreement will result in a network of pharmacies for HIV patients transitioning to HWLA, including pharmacies already operated by some clinics. Emphasis will be placed on including pharmacies near the clinics where HIV patients seek care. However, pharmacies that patients prefer using now will not be excluded based solely on geography.
2. *Responding to Pharmacies and Patients* – On December 12, 2011 DHS and DPH representatives participated in a conference call with a group of pharmacy representatives requesting additional information about the pharmacy aspect of the County's HIV transition plan. The pharmacies requested that in our planning we consider additional services that they provide to support HIV patients. They agreed to provide us with a list and description of those services, which DHS and DPH will jointly review and respond to when it is received.

In addition, a petition and letters related to pharmacy access concerns were delivered to Board Offices and DPH's Division of HIV and STD Programs (DHSP) in late December. DHS will address concerns about pharmacy and other aspects of the transition in a letter to patients which will be posted on its website and sent to HIV providers in late January. One key message will be that patients will have pharmacy options that are convenient and meet their needs.

3. *Contingency Planning* – At this time, it is anticipated that the PA arrangement will be in place before patients begin to transition from ADAP to HWLA. However, in the event that the transition begins earlier, DHS is making contingency plans. DHS will assist CPs in connecting to any pharmacy services needed until the pharmacy administrator contract is accessible.
4. *Ensuring Capacity at DHS Pharmacies* – The CPO is working with DHS facility pharmacies to plan appropriately for the needs of transitioning patients. 340B program status was approved for High Desert MACC, MLK MACC, Hudson CHC, Humphrey CHC and Long Beach CHC during December 2012.
5. *Formulary Assessment* – The CPO has completed a comparison of the DHS drug formulary and the AIDS Drug Assistance Program (ADAP) formulary and discussed results with the medical director for DHSP. Necessary HIV agents are being added to the DHS formulary, and a process has been determined to review future pharmaceutical formulary requests.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DHS will provide an in-person training for providers the month prior to transition, with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Mental Health

DMH continues to work with RW agencies on the scope and detail of their new or amended agreements. DMH remains prepared to execute or amend agreements as agencies express readiness.

In addition, on January 18, 2012, DHSP and DMH jointly hosted a meeting with HIV mental health providers to discuss provider questions about HWLA mental health services.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

Community Communication Strategy

DPH and DHS have developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- Patients: DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA. In addition, DHS will post and distribute a letter to patients about the transition in late January.
- Medical Providers: DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document, now posted on the DHSP website. In addition, DHS set up an e-mail account specifically for provider questions related to pharmacy.
- DPH, DHS and DMH have hosted four meetings with providers and will schedule future meetings as necessary.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS trained HWLA member services representatives to answer questions from transitioning RW clients.

Each Supervisor
January 20, 2012
Page 5

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

February 21, 2012

**Los Angeles County
Board of Supervisors**

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Director

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Chief Medical Officer

John F. Schunhoff, Ph.D.
Chief Deputy Director

TO: Each Supervisor

FROM: Mitchell H. Katz, M.D.
Director of Health Services

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN WHITE BENEFICIARIES**

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. On December 21, 2011, DMH notified your Board of its intent to execute Agreements or Amendments with RW providers. DPH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

DHS and DPH worked with the San Francisco Department of Public Health and the California Association of Public Hospitals to produce and submit a detailed plan for delivery system improvements under the proposed Waiver amendment. This information was submitted to the California Department of Health Care Services (DHCS), which will be sending it to the federal Centers for Medicare and Medicaid (CMS) for response.

RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include LIHP eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

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DPH has communicated to the California Department of Public Health (CDPH) Office of AIDS, that Los Angeles County will not be ready to begin the transition of patients until at least July 2012. First, we want to ensure that our proposed pharmacy administrator contract (described below) and the accompanying pharmacy network and provider contracts, are fully implemented prior to transition to ensure maximum access for patients and stability for providers. Second, DHS anticipates transitioning HWLA enrollment to the LEADER system in June 2012, and wants to train eligibility workers on the new system before transition takes places.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. At this time, 52 of 53 current HWLA CPs have signed contract amendments. Of the seven RW providers offered new agreements, six have signed.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. *Pharmacy Administrator Contract* – On February 7, 2012 your Board approved delegated authority for DHS to execute a contract with Ramsell Public Health Rx for pharmaceutical costs, pharmacy dispensing fees and contract pharmacy administrator services. This agreement will enable Ramsell to commence planning for a contracted pharmacy network for HIV patients transitioning to HWLA.

Full implementation of the network will require additional agreements between clinics and Ramsell, as well as agreements between each clinic and the pharmacies in its individual network. Ramsell is currently assessing pharmacy interest in participating in networks, and developing potential network lists to review with DHS and community provider clinics. DHS, Ramsell and each individual clinic will work together on selecting network pharmacies best suited to the needs of the clinic's patients, with a focus on maximizing access. DHS is planning a meeting with Ramsell and HIV providers in mid to late March to commence the contracting process.

2. *Ensuring Capacity at DHS Pharmacies* – The CPO is working with DHS facility pharmacies to plan appropriately for the needs of transitioning patients.

340B HIV pricing access was approved by HRSA for High Desert MACC, MLK MACC, Hudson CHC, Humphrey CHC and Long Beach CHC on January 1, 2012. These DHS sites now have the ability to acquire 340B pricing for HIV medications.

3. *Formulary Assessment* – The CPO has completed a comparison of the DHS drug formulary and the AIDS Drug Assistance Program (ADAP) formulary and discussed results with the medical director for DPH's Division of HIV and STD Programs (DHSP). In addition, the CPO is working with DMH and DHSP to assess any needed changes to accommodate drugs for mental health care. A process has been determined to review future pharmaceutical formulary requests.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DHS will provide an in-person training for providers the month prior to transition, with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Mental Health

DMH, DHS and DPH continue to work together to resolve issues related to coordination of mental health services between HWLA and RW, including clarification of covered diagnoses and services in each Tier.

DMH has executed a HWLA mental health services contract with Northeast Valley Health Corporation and HWLA contract amendments with Catholic Healthcare West - St. Mary Medical Center, and Children's Hospital Los Angeles.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

DHSP plans to commence deployment of new contracts for fee-for-service medical outpatient services in the Summer of 2012, as well as new and amended contracts for medical care coordination.

Community Communication Strategy

The three departments have developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA.
- On January 30, 2012, DHS posted a letter to patients about the transition on the HWLA website. This letter was also distributed to DHS and CP HIV providers for use with patients. A Spanish-language version of this letter has been created and will also be posted and distributed to providers.
- DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document, now posted on the DHSP website.
- DHS has created an email address providers can use to submit pharmacy-related questions on the transition.

Each Supervisor
February 21, 2012
Page 5

- DPH, DHS and DMH have hosted four meetings with providers and are targeting the next meeting, focusing on pharmacy contracting issues, for March.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS trained HWLA member services representatives to answer questions from transitioning RW clients.
- On February 14, 2012 DPH and DHS representatives attended a meeting of providers and consumers of HIV services in Service Planning Area 6 to address questions and concerns regarding the transition.

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

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c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



March 20, 2012

Los Angeles County Board of Supervisors

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Strategic Planning Deputy Director

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TO: Each Supervisor

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **DEPARTMENT OF HEALTH SERVICES' (DHS) FISCAL OUTLOOK (BOARD AGENDA, ITEM S-1 MARCH 20, 2012)**

This is to provide DHS' fiscal overview for Fiscal Year (FY) 2011-12 (Attachment I), updated since our last Budget Committee of the Whole report to your Board on November 29, 2011. As of March 2, 2012, the Department is projecting a surplus for FY 2011-12 of \$9.6 million.

The Workload schedule (Attachment II) provides a comparison between FYs 2010-11 and 2011-12 on key workload indicators, e.g., days and visits. The Department continues its efforts to adapt to the changing health care marketplace through internal realignment and restructuring of resources and process changes focused on developing efficiencies and increasing productivity as much as possible. For example, over the last several months, LAC+USC Medical Center has implemented several process changes in its emergency department (ED) designed to improve the hospital's ability to see patients. These changes have resulted in increased numbers of patients being seen in the ED at LAC+USC.

The Department is projecting a \$73.4 million shortfall in FY 2012-13 (Attachment III), primarily due to a projected increase in employee benefit costs. DHS is working on various ideas to address the projected shortfall. One of the primary ideas is to secure an increase in the In-Home Supportive Services health plan rates, which were last increased in 2006. DHS is working closely with the Department of Public Social Services (DPSS) on a proposal for an actuarially sound rate increase, to be effective July 2012, to help offset the cost of medical care provided to enrollees in this health plan. DHS and DPSS will be coming to your Board shortly requesting approval to submit the request for a rate increase to the State. If the rate increase is approved, the Department estimates additional revenue of approximately \$54.0 million for FY 2012-13.

Attachment IV summarizes other potential items that could impact the fiscal forecast, including the proposed waiver amendment regarding Ryan White eligibles who are being transitioned to the Healthy Way LA (HWLA) program. The proposed amendment is still pending approval by the Centers for Medicare and Medicaid Services.

Another issue with significant impact on the fiscal forecast is the development of a plan to finance implementation of the Electronic Health

Each Supervisor
March 20, 2012
Page 2

Record (EHR), required by the Affordable Care Act. On December 19, 2011, DHS reported to your Board that it estimates its EHR costs at approximately \$283 million, with as much as \$100 million available from hospital and eligible professional incentive funds to offset this cost. The Department has been working closely with the Chief Executive Office (CEO) on this issue and a general financing plan has been outlined. The Department expects to go to your Board no later than the end of December 2012 to recommend a contract with the selected EHR vendor. At that time, the Department will also present for your Board's approval an EHR financing plan.

As currently contemplated through working with the CEO, the general plan is to fund the initial development of the EHR system through the issuance of taxable commercial paper over a two to three year period. During this initial development period, DHS would be responsible for interest-only payments using existing resources. Upon completion of the EHR development, DHS will utilize then available resources to redeem, to the extent possible, outstanding commercial paper. Any commercial paper that remained outstanding on the EHR would be converted to long-term bonds with a final maturity of eight to ten years. Each year, the Department would budget an amount sufficient to fund the payment of principal and interest due on the long-term bonds. The annual budgetary appropriation would be funded by items such as EHR incentive payments, waiver funds, tobacco settlement funds, increased revenue from Health Care Reform, and existing resources.

The Department is continuing to make adjustments that are necessary to accommodate the changes taking place in our patient population, including the phasing in of Seniors and Persons with Disabilities into managed care and the large numbers of previously uninsured patients enrolling in the HWLA program. Some of the changes being implemented include revising various patient identification, service tracking, payor designation, and data collection processes to ensure that necessary information is obtained, documented, and recorded. These changes are expected to result in improved overall data and provide a more accurate basis for making enrollment projections and estimating associated revenues.

In the future, it is likely that the State will consider changes to health care realignment funding, given reductions in the number of uninsured currently occurring under the waiver expansion programs and further reductions expected under Health Care Reform. DHS will continue working with the CEO to monitor proposals that could alter current funding streams, and will report to your Board any changes that would be material to the Department's fiscal outlook.

If you have any questions or need additional information, please let me know.

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Attachments (4)

c: Chief Executive Office
County Counsel

Each Supervisor
March 20, 2012
Page 3

Executive Office, Board of Supervisors

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
FISCAL OVERVIEW
 FISCAL YEAR 2011-12
 (AS OF 3/27/12)

	HOSPITALS												OTHER GENERAL FUNDS																			
	TOTAL DEPARTMENT		LAC+USC MEDICAL CENTER (A)		HARBOR-UCLA MEDICAL CENTER		RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER		OLIVE VIEW-UCLA MEDICAL CENTER		AMBULATORY CARE (B)		JUVENILE COURT HEALTH SERVICES (C)		EMERGENCY MEDICAL SERVICES																	
	BUDGET (H)	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE	BUDGET	VARIANCE												
Expenses:																																
Salaries:	\$ 1,271.9	\$ 1,231.2	\$ 40.7	(9.3)	\$ 260.8	\$ 268.5	\$ 12.3	(3.8)	\$ 98.2	\$ 93.6	\$ 4.6	(2.2)	\$ 161.8	\$ 160.4	\$ 1.4	(2.2)	\$ 190.3	\$ 182.8	\$ 7.5	(0.4)	\$ 13.1	\$ 12.4	\$ 0.7	(0.7)	\$ 74.6	\$ 70.2	\$ 4.4	(4.4)				
- Salaries (excluding Overtime)	55.2	65.0	26.3	(3.7)	11.3	15.1	2.7	(3.8)	2.7	2.1	0.6	(0.4)	7.2	9.4	2.2	(2.2)	4.7	4.5	0.2	(0.4)	1.7	2.1	0.4	(0.4)	1.2	1.1	0.1	(0.1)				
- Overtime	1,327.1	1,296.2	30.9	(3.0)	292.1	283.6	8.5	(8.5)	100.9	96.3	4.6	(4.6)	169.0	169.8	0.8	(0.8)	195.0	187.3	7.7	(7.7)	21.5	18.8	2.7	(2.7)	75.8	71.3	4.5	(4.5)				
Total Salaries	594.1	584.6	9.5	(0.9)	201.6	199.6	2.0	(2.0)	452.4	447.5	0.5	(0.5)	75.3	73.5	1.8	(1.8)	102.2	100.3	1.9	(1.9)	7.3	7.2	0.1	(0.1)	36.5	36.9	(0.4)	(0.4)				
Employee Benefits	1,921.2	1,880.8	40.4	(4.4)	661.2	656.2	5.0	(5.0)	411.7	400.0	11.7	(11.7)	244.3	243.3	1.0	(1.0)	297.2	287.6	9.6	(9.6)	28.8	28.0	0.8	(0.8)	112.3	108.2	4.1	(4.1)				
Total Salaries & Employee Benefits	158.5	138.5	20.0	(20.0)	54.7	47.5	7.2	(7.2)	27.5	23.0	4.5	(4.5)	17.8	17.3	0.5	(0.5)	49.1	43.3	5.8	(5.8)	2.5	1.5	1.0	(1.0)	-	-	-	(0.7)				
Net Services & Supplies (S&S):	149.2	182.2	(33.0)	33.0	70.0	95.3	(25.3)	25.3	41.3	46.7	(5.4)	5.4	14.2	21.1	(6.9)	6.9	12.7	11.0	1.7	(1.7)	0.3	0.3	-	(0.1)	-	-	-	(0.7)				
- Centralized Pharmacy	152.4	145.5	6.9	(6.9)	120.7	113.3	7.4	(7.4)	9.1	9.1	-	-	17.3	17.2	0.1	(0.1)	4.9	5.5	(0.6)	(0.6)	0.4	0.4	-	-	-	-	-	-				
- Medical/Dental/Laboratory	39.4	48.7	(9.3)	9.3	31.8	37.9	(6.1)	6.1	0.6	1.3	(0.7)	0.7	5.4	5.3	0.1	(0.1)	1.0	2.0	(1.0)	(1.0)	0.2	1.3	-	-	-	-	-	-				
- Medical School Affiliation Agreement	34.2	46.0	(11.8)	11.8	11.5	14.2	(2.7)	2.7	7.2	9.5	(2.3)	2.3	4.9	9.2	(4.3)	4.3	8.8	10.0	(1.2)	(1.2)	0.2	0.2	-	-	-	-	-	-				
- Nurse Registries	40.2	42.6	(2.4)	2.4	0.9	1.0	(0.1)	0.1	6.8	7.0	(0.2)	0.2	4.4	6.4	(2.0)	2.0	23.2	22.9	0.3	(0.3)	0.4	0.2	0.2	(0.2)	-	-	-	(0.0)				
- Other Registries	1,012.2	933.8	78.4	(78.4)	219.4	234.0	(14.6)	14.6	129.4	131.3	(1.9)	1.9	91.7	87.8	3.9	(3.9)	401.8	334.8	67.0	(67.0)	5.0	5.1	(0.1)	(0.1)	100.9	79.9	21.0	(21.0)				
- Specialty Contracts (Physicians/Non-Phys.)	1,586.1	1,537.3	48.8	(48.8)	509.0	543.2	(34.2)	34.2	221.9	227.9	(6.0)	6.0	155.7	164.3	(8.6)	8.6	501.5	429.5	72.0	(72.0)	9.0	9.0	0.0	0.0	100.9	80.6	20.3	(20.3)				
- S&S-Other	161.6	156.4	5.2	(5.2)	18.2	17.5	0.7	(0.7)	43.2	39.6	3.6	(3.6)	9.7	7.9	1.8	(1.8)	14.7	13.7	1.0	(1.0)	(31.1)	(30.0)	(1.1)	(1.1)	97.2	98.5	(1.3)	(1.3)				
Total Net S&S	\$ 3,668.9	\$ 3,574.5	\$ 94.4	(94.4)	\$ 1,188.4	\$ 1,216.9	\$ (28.5)	(28.5)	\$ 676.8	\$ 667.5	\$ 9.3	(9.3)	\$ 228.8	\$ 218.9	\$ 9.9	(9.9)	\$ 813.4	\$ 730.8	\$ 82.6	(82.6)	\$ 6.7	\$ 5.0	\$ 1.7	\$ 34.7	\$ 32.6	\$ 2.1	\$ 310.4	\$ 287.3	\$ 23.1	(23.1)		
Other Expenses (E)																																
Revenues																																
Waiver Revenues	\$ 1,314.6	\$ 1,287.7	\$ (26.9)	(26.9)	\$ 578.4	\$ 547.2	\$ (31.2)	(31.2)	\$ 281.8	\$ 298.8	\$ 17.0	(17.0)	\$ 192.1	\$ 189.3	\$ (2.8)	(2.8)	\$ 161.9	\$ 159.4	\$ (2.5)	(2.5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0	(0.0)		
Federal & State - Other Revenues	410.4	425.4	15.0	15.0	136.4	150.5	14.1	14.1	90.9	93.0	2.1	2.1	58.0	59.1	1.1	1.1	75.0	74.4	(0.6)	(0.6)	0.5	0.5	-	-	13.5	11.8	(1.7)	(1.7)	0.8	(0.8)		
Managed Care Revenues	440.4	366.9	(73.5)	(73.5)	78.1	69.3	(8.8)	(8.8)	64.7	71.2	6.5	6.5	37.1	38.2	1.1	1.1	259.8	186.6	(73.2)	(73.2)	-	-	-	-	-	-	-	-	-	-		
Other County Department Revenues	268.8	248.9	(19.9)	(19.9)	41.9	25.9	(16.0)	(16.0)	18.1	13.0	(5.1)	(5.1)	18.4	13.3	(5.1)	(5.1)	9.8	10.0	0.2	(0.2)	-	-	-	-	-	-	179.5	185.6	6.1	(6.1)		
Other Revenues (G)	227.5	176.4	(51.1)	(51.1)	93.3	81.2	(12.1)	(12.1)	62.9	53.6	(9.3)	(9.3)	24.5	18.3	(6.2)	(6.2)	21.5	7.8	(13.7)	(13.7)	-	(0.2)	-	-	13.6	(3.3)	-	(3.3)	-	(3.3)		
Total Revenues	\$ 2,661.7	\$ 2,505.3	\$ (156.4)	(156.4)	\$ 928.1	\$ 874.1	\$ (54.0)	(54.0)	\$ 518.4	\$ 529.6	\$ 11.2	(11.2)	\$ 149.2	\$ 137.4	\$ (11.8)	(11.8)	\$ 528.0	\$ 438.2	\$ (89.8)	(89.8)	\$ 0.5	\$ 0.3	\$ (0.2)	\$ 27.1	\$ 24.4	\$ (2.7)	\$ 180.3	\$ 183.1	\$ 2.8	(2.8)		
Net Cost - Before PYs' Surplus/(Deficit)	\$ 1,007.2	\$ 1,069.2	\$ (62.0)	(62.0)	\$ 260.3	\$ 342.8	\$ (82.5)	(82.5)	\$ 158.4	\$ 137.9	\$ 20.5	(20.5)	\$ 79.6	\$ 97.3	\$ (17.7)	(17.7)	\$ 285.4	\$ 292.6	\$ (7.2)	(7.2)	\$ 6.2	\$ 4.7	\$ 1.5	\$ 7.6	\$ 8.2	\$ (0.6)	\$ 130.1	\$ 104.2	\$ 25.9	(25.9)		
Prior Years (PYs)' Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	(9.7)	(9.7)	-	(10.4)	(10.4)	(10.4)	-	-	-	-	-	-	(1.0)	-	-	-	-	-	-	-	-	-
Net Cost - After PYs' Surplus/(Deficit) (H)	\$ 1,007.2	\$ 997.6	\$ 9.6	(9.6)	\$ 260.3	\$ 287.3	\$ (27.0)	(27.0)	\$ 158.4	\$ 147.6	\$ 10.8	(10.8)	\$ 79.6	\$ 107.7	\$ (28.1)	(28.1)	\$ 285.4	\$ 248.1	\$ 37.3	(37.3)	\$ 6.2	\$ 5.7	\$ 0.5	\$ 7.6	\$ 8.2	\$ (0.6)	\$ 130.1	\$ 100.5	\$ 29.6	(29.6)		

Notes:

(A) Includes unreimbursed estimated costs of: (1) Sheriff's Department \$40.4 million - for providing inpatient, outpatient and specialty services to inmates in County jails, and (2) Departments of Probation and Coroner \$10 million - for utilities and maintenance costs provided to both Departments. In addition, DHS' FY 11-12 Capital Projects Budget (not reflected on this schedule) includes \$4.5 million for the share of Departments of Probation and Coroner the Central Plant one-time upgrade to be in compliance with the South Coast Air Quality Management District (AQMD) Rule 1146.

(B) Includes Multi-Service Ambulatory Care Centers, Comprehensive & Community Health Centers, Community Partners, Office of Managed Care, and Ambulatory Care's administrative units.

(C) Juvenile Court Health Services (JCHS) provides medical services to Probation youth who are under the responsibility of the Department of Probation. The current forecast reflects \$5.5 million (net of \$0.2 million projected shortfall of Vehicle License Fee reflected in Other Revenues) unreimbursed net cost from Probation for FY 11-12. The \$0.7 million reduction from the budgeted funding gap of \$6.2 million from Probation is primarily due to hiring delays for the Department of Justice Camp Settlement Agreement and under-realized pharmaceutical expenses.

(D) Includes the budget adjustments approved by the Board of Supervisors on February 28, 2012 to reallocate/realign appropriations within DHS.

(E) Includes Other Charges, Capital Assets, and Operating Transfer Out, and net of Intrafund Transfers.

(F) Includes capital projects' surplus of \$3.9 million due to implementation delays.

(G) Includes Vehicle License Fee deficit of \$20.0 million.

(H) The Net Cost of \$1,007.2 million is comprised of County Contribution, Vehicle License Fee, Sales Tax, Measure B, Tobacco Settlement fund, and DHS' Fund Balance.

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

WORKLOAD

FISCAL YEAR 2010-11 ACTUAL vs FISCAL YEAR 2011-12 PROJECTION

(AS OF 3/2/12)

	TOTAL DEPARTMENT		LAC+USC MEDICAL CENTER		HARBOR-UCLA MEDICAL CENTER		RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER		OLIVE VIEW-UCLA MEDICAL CENTER		AMBULATORY CARE (A)		OTHER GENERAL FUNDS	
	FY 10-11 ACTUAL	FY 11-12 PROJECTION (B)	FY 10-11 ACTUAL	FY 11-12 PROJECTION	FY 10-11 ACTUAL	FY 11-12 PROJECTION	FY 10-11 ACTUAL	FY 11-12 PROJECTION	FY 10-11 ACTUAL	FY 11-12 PROJECTION	FY 10-11 ACTUAL	FY 11-12 PROJECTION	FY 10-11 ACTUAL	FY 11-12 PROJECTION
Average Daily Census	1,321	1,283	587	576	359	334	183	179	192	194	-	-	-	-
Inpatient Days	482,165	468,295	214,255	210,240	131,035	121,910	66,795	65,335	70,080	70,810	-	-	-	-
Admissions	72,308	71,374	32,601	32,628	22,109	21,128	3,930	3,902	13,668	13,716	-	-	-	-
Ambulatory Care / Urgent Care / Community Partners Visits	2,951,155	2,929,638	541,814	542,653	337,799	335,074	76,509	75,288	212,775	212,116	1,782,258	1,764,507	-	(17,751)
Emergency Department Visits	256,479	272,485	135,751	149,029	72,607	71,479	-	-	48,121	51,977	-	-	-	-
Emergency Department Psych. Visits	22,736	21,969	8,976	8,348	8,029	7,748	-	-	5,731	5,873	-	-	-	-
Juvenile Court Health Services Visits	95,568	83,402	-	-	-	-	-	-	-	-	-	-	95,568	83,402
														(12,166)

(A) Includes Multi-Service Ambulatory Care Centers, Comprehensive & Community Health Centers, and Community Partners.

(B) FY 11-12 projection is based on the December 2011 workload report.

(C) The census is appropriately decreasing due to efforts to reduce denied days. Denied days is down to 5% for December 2011.

(D) The decrease in ED Psych visits are primarily due to the opening of the Exodus Urgent Care Center in April 2010. The acuity patients that were seen at ED Psych are now seen at the Exodus Urgent Care Center.

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

SUMMARY OF DHS FISCAL OUTLOOK

AS OF MARCH 2, 2012

	Fiscal Year (FY) / \$ In Millions
(1) Estimated Year-End Fund Balance for FY 2011-12	\$ 9.6
Major Changes for FY 2012-13 ^(A)	
(2) Projected increase in employee benefit costs ^(B)	(51.6)
(3) Equipment costs for the Harbor-UCLA Medical Center's Surgery/Emergency Department ^(C)	(18.5)
(4) Projected net benefits from transfer of Community Health Plan to LA Care	17.3
(5) Equipment costs for the new Martin Luther King Multi-Service Ambulatory Care Center (Year 1)	(8.1)
(6) Updated revenue estimates for Managed Care Rate Supplement and Medicare	(5.8)
(7) Capital projects to be carried over from FY 2011-12 due to implementation delays	(3.9)
(8) Increased General County Overhead costs provided by the CEO in February 2012	(1.8)
(9) Other minor operational changes	(1.0)
(10) Estimated Year-End Shortfall for FY 2012-13	<u>(73.4)</u>
(11) Total	<u>\$ (63.8)</u>

Notes:

- (A) This does not include necessary system improvements/investments such as Electronic Health Record information system, standardized nurse staffing plan including compliance with the Assembly Bill (AB) 394 requirements for meals and breaks coverage, and additional equipment costs for the new High Desert MACC. The Department is currently refining its plan, estimating costs, and determining funding solutions for these items. The Department is also working with the Chief Executive Office to explore financing options for the Electronic Health Record information system.
- (B) This reflects projected increased employer contribution rates for County Retirement based on the downturn in the investment market. In addition, the reduced County's matching contribution percentages are resumed to 4% effective FY 12-13 (which were reduced to 2% or 3%, depending on the cafeteria health plans of the participating employees, for both Horizons and Savings Plans in FY 11-12). Also reflects changes in estimates primarily for variable employee benefits based on historical trends and year-to-date actual.
- (C) Includes incremental change of \$13.9 million for Year 2, and \$4.6 million to be carried over from Year 1 due to implementation delays.

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

POTENTIAL ITEMS THAT WOULD IMPACT THE FISCAL FORECAST

FISCAL YEARS 2011-12 THROUGH 2012-13 (NON-CUMULATIVE)

(\$ IN MILLIONS)

	FY 11-12	FY 12-13	Total
Base Assumption: Estimated Year-End Surpluses / (Shortfalls)	\$9.6	(\$73.4)	(\$63.8)
<u>POTENTIAL ADDITIONAL REVENUES / FUNDS</u>			
> Additional Waiver revenues resulting from amending the existing Waiver agreement to assure that persons with HIV make the transitions of coverage from Ryan White to Healthy Way LA (HWLA) for October 2011 through December 2013	32.0	43.0	75.0
> Obtain an actuarially sound rate increase , to be effective July 2012, for the In-Home Supportive Services program to help offset the costs of medical care provided to enrollees in the health plan	-	54.0	54.0
> Additional HWLA revenue for County Jail inmates	-	7.0	7.0
> Distribution of one-time unspent fund in County's Health Services Designation	-	7.0	7.0
> Obtain an increase in Measure B rate	-	??	??
<u>POTENTIAL LOSSES IN REVENUES / FUNDS</u> ⁽¹⁾			
> Unreimbursable costs of transitioning persons with HIV from Ryan White to HWLA	(32.0)	(43.0)	(75.0)
Revised Estimated Year-End Surpluses / (Shortfalls)	\$9.6	(\$5.4)	\$4.2
<u>USE OF TOBACCO SETTLEMENT AND/OR OTHER FUNDS TO FUND ONE-TIME EXPENSES INCLUDED IN THE BASE ESTIMATES ABOVE</u>			
> Equipment costs for the new Martin Luther King Multi-Service Ambulatory Care Center (MACC)	-	8.1	8.1
Adjusted Estimated Year-End Surpluses - After Use of Tobacco Settlement Fund	\$9.6	\$2.7	\$12.3

Notes:

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Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

March 20, 2012

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Each Supervisor

FROM: Mitchell H. Katz, M.D. *MH Katz*
Director of Health Services

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN
WHITE BENEFICIARIES**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

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Strategic Planning Deputy Director

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PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. On December 21, 2011, DMH notified your Board of its intent to execute Agreements or Amendments with RW providers. DPH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

The proposed Waiver amendment is still under review by the federal Centers for Medicare and Medicaid (CMS).

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RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing

At this time, it is not clear when the California State Office of AIDS, through its AIDS Drug Assistance Program (ADAP), will adjust its eligibility screening process to include LIHP eligibility. It is our understanding that patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

DPH has communicated to the California Department of Public Health (CDPH) Office of AIDS, that Los Angeles County will not be ready to begin the transition of patients until at least July 2012. First, we want to ensure that our pharmacy administrator contract (described below) and the accompanying pharmacy network and provider contracts, are fully implemented prior to transition to ensure maximum access for patients and stability for providers. Second, DHS anticipates transitioning HWLA enrollment to the LEADER system in June 2012, and wants to train eligibility workers on the new system before transition takes place.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. At this time, 52 of 53 current HWLA CPs have signed contract amendments. Of the seven RW providers offered new agreements, six have signed.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. Pharmacy Administrator Contract – On February 7, 2012 your Board approved delegated authority for DHS to execute a contract with Ramsell Public Health Rx for pharmaceutical costs, pharmacy dispensing fees and contract pharmacy administrator services. Ramsell and DHS have commenced planning for a contracted pharmacy network for HIV patients transitioning to HWLA.

Full implementation of the network will require additional agreements between clinics and Ramsell, as well as agreements between each clinic and the pharmacies in its individual network. In addition, DHS HIV clinics also have the opportunity to utilize Ramsell services and augment their own pharmacy capacity with network pharmacies.

DHS, Ramsell and each individual clinic will work together on selecting network pharmacies best suited to the needs of the clinic's patients, with a focus on maximizing access. On March 15, 2012, DHS hosted a meeting with Ramsell and HIV providers to explain how contract pharmacy administrator services will work, and the steps clinics need to take to implement their individual pharmacy networks.

2. Ensuring Capacity at DHS Pharmacies – The CPO is working with DHS facility pharmacies to plan appropriately for the needs of transitioning patients.
3. Formulary Assessment – The CPO has completed a comparison of the DHS drug formulary and the AIDS Drug Assistance Program (ADAP) formulary and discussed results with the medical director for DPH's Division of HIV and STD Programs (DHSP). In addition, the CPO has worked with DMH and DHSP on changes needed to accommodate drugs for mental health care. A process has been determined to review future pharmaceutical formulary requests.
4. Response to pharmacy concerns – On December 12, 2011, County staff, including DHS/DPH, participated in a call with HIV specialty pharmacies to discuss concerns they had related to the transition from ADAP to HWLA. On that call, County staff invited the pharmacies to provide us with information on the services they offer that the County should consider in compensation and contracting. We received this information on February 21, 2012 from one of the pharmacies on the call. DHS and DPH have worked together to review this information and sent a response today. DHS and DPH also have a meeting scheduled March 26 with other HIV specialty pharmacies from the December 12 call.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. Specialty allocations for CPs are based on recent utilization through DHSP RW contracts.

HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

HWLA resources are available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. DHS will provide an in-person training for providers the month prior to transition, with an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. There are approximately 100 staff identified that will be doing screening and enrollment for this population that will likely need this training.

Mental Health

DMH, DHS and DPH worked together to resolve issues related to covered diagnoses for mental health. DHS intends to amend HWLA agreements to remove certain mental health-related diagnoses from the DHS Excluded Services list so CPs will have access to these diagnoses in the DHS claiming system. In addition to previously executed contracts and contract amendments with Northeast Valley Health Corporation, Catholic Healthcare West - St. Mary Medical Center, and Children's Hospital Los Angeles, a mental health services contract has been executed with the City of Pasadena.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

DHSP plans to commence deployment of new contracts for fee-for-service medical outpatient services in the Summer of 2012, as well as new and amended contracts for medical care coordination.

Community Communication Strategy

The three departments have developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA.
- On January 30, 2012, DHS posted a letter to patients about the transition on the HWLA website. This letter was also distributed to DHS and CP HIV providers for use with patients. A Spanish-language version of this letter has been created and has also been posted and distributed to providers.
- DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document, now posted on the DHSP website.
- DHS has created an email address providers can use to submit pharmacy-related questions on the transition.

Each Supervisor
March 20, 2012
Page 6

- DPH, DHS and DMH have hosted five meetings with providers.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS trained HWLA member services representatives to answer questions from transitioning RW clients.

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

April 20, 2012

**Los Angeles County
Board of Supervisors**

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Each Supervisor

FROM: Mitchell H. Katz, M.D. 
Director of Health Services

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN
WHITE BENEFICIARIES**

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Full implementation of the network requires agreements between HIV clinics and Ramsell, as well as agreements between each clinic and the pharmacies in its individual network. In addition, DHS HIV clinics also have the opportunity to utilize Ramsell services and augment their own pharmacy capacity with network pharmacies. Several CPs have signed agreements with Ramsell, and other clinics, including DHS clinics have agreements in process.

DHS, Ramsell and each individual clinic are working together on selecting network pharmacies best suited to the needs of the clinic's patients, with a focus on maximizing access. On March 15, 2012, DHS hosted a meeting with Ramsell and HIV providers to explain how contract pharmacy administrator services will work, and the steps clinics need to take to implement their individual pharmacy networks.

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4. Response to pharmacy concerns – DHS and DHSP have held several meetings and calls with HIV specialty pharmacies to discuss concerns they have related to the transition from ADAP to HWLA. We will continue to respond to questions and suggestions as they arise.

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April 20, 2012

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A HWLA contract amendment is also planned to increase access to high-end diagnostic services by non-DHS providers.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

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DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. These providers will receive training from DPH and DHS on HWLA screening and enrollment. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

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In a call with DHS and DHSP staff on March 29, 2012, OA confirmed that ADAP would be able to cover medication needs of patients while their HWLA application is in process. In addition, the "grace period" for patients remaining on ADAP will be determined based on information from the County on the necessary processing time for applications.

DHS is also reviewing membership materials provided to new HWLA enrollees to determine if any modifications are needed to information related to selection of medical homes.

Each Supervisor

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Each Supervisor

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MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

May 21, 2012

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

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Transition Timing

The California State Office of AIDS (OA), through its AIDS Drug Assistance Program (ADAP), is now preparing to adjust its eligibility screening process to include LIHP eligibility as of July 1, 2012. Patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP.

For several months, DHS, DMH and DPH have been working together to put appropriate systems in place to support transitioning HIV patients. As the transition date nears, we are increasing our communication and training activities for HIV care providers, as well as finalizing implementation of our pharmacy network and other critical implementation details as described further below.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. At this time, all current HWLA CPs have signed contract amendments. Of the seven RW providers offered new agreements, six have signed and the remaining provider has indicated its intent to sign.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

1. Pharmacy Administrator Contract – On February 7, 2012 your Board approved delegated authority for DHS to execute a contract with Ramsell Public Health Rx for pharmaceutical costs, pharmacy dispensing fees and contract pharmacy administrator services. Ramsell, DHS, and HIV CPs have taken significant steps in the implementation process for the contracted pharmacy network for HIV patients.

Most CPs have signed agreements with Ramsell, and other clinics, including DHS clinics have agreements in process. These contracts allow clinics to have expanded pharmacy networks tailored to the needs of their patients, and to streamline pharmacy billing and reimbursement processes.

CPs are not required to participate in the Ramsell contract. However, all CPs, regardless of whether they have signed an agreement with Ramsell, are required to provide medically necessary medications to patients as part of their HWLA contracts. DHS has explained this requirement, and CP alternatives to contracting with Ramsell, at a provider meeting March 15, 2012; in a provider letter sent May 18, 2012; and during individual outreach to providers. This will also be discussed at a June 4, 2012 meeting for providers.

2. Formulary Assessment – The CPO has completed a comparison of the DHS drug formulary and the AIDS Drug Assistance Program (ADAP) formulary and discussed results with the medical director for DPH's Division of HIV and STD Programs (DHSP). In addition, the CPO has worked with DMH and DHSP on changes needed to accommodate drugs for mental health care. A process has been determined to review future pharmaceutical formulary requests.
3. Response to pharmacy concerns – DHS and DHSP have held several meetings and calls with HIV specialty pharmacies to discuss concerns they have related to the transition from ADAP to HWLA. We will continue to respond to questions and suggestions as they arise.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

A HWLA contract amendment is also planned to increase access to high-end diagnostic services by non-DHS providers.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

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Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

These providers will receive training from DPH, DHS and OA on changes to the ADAP process and HWLA screening and enrollment during the second half of June. This will include training on Your Benefits Now, the new HWLA enrollment system being rolled out throughout the County.

HWLA resources are also available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. If needed, DHS can provide an additional follow-up training within the first few months after ADAP eligibility workers have gained some experience doing HWLA enrollment. There are approximately 170 staff identified that will be doing screening and enrollment for this population that will likely need this training.

OA has confirmed that ADAP will fulfill medication needs of Los Angeles County patients for 90 days while their HWLA applications are in process. There are provisions for additional 30 day refills and grace periods under certain circumstances for individuals with unresolved status at the end of the initial grace period.

DHS is also reviewing membership materials provided to new HWLA enrollees to determine if any modifications are needed to information related to selection of medical homes.

Mental Health

DMH, DHS and DPH worked together to resolve issues related to covered diagnoses for mental health. DHS intends to amend HWLA agreements to remove certain mental health-related diagnoses from the DHS Excluded Services list so CPs will have access to these diagnoses in the DHS claiming system for medication support services.

HWLA mental health contracts and contract amendments have been executed with Northeast Valley Health Corporation, Catholic Healthcare West - St. Mary Medical Center, Children's Hospital Los Angeles, and the City of Pasadena. DMH is presently developing a HWLA contract with the City of Long Beach. Three other providers, AIDS Healthcare Foundation, the Los Angeles Gay and Lesbian Community Services Center, and Miller Children's Hospital at Long Beach Memorial Medical Center have indicated their intent to execute a HWLA mental health contract but have not yet done so. Lastly,

two providers, The Catalyst Foundation for AIDS Awareness and Care and Watts Healthcare Corporation have declined to execute a HWLA mental health contract, so DMH is working with these Community Partners to establish referral relationships to DMH directly-operated or Legal Entity providers for patients in need of specialty mental health services.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

DHSP is commencing deployment of new contracts for fee-for-service (FFS) medical outpatient services, as well as new and amended contracts for medical care coordination (MCC). DHSP will be holding a meeting with Ryan White medical outpatient providers, scheduled for May 22, 2012, at which time the implementation of new FFS-based medical outpatient services and medical care coordination (MCC) services will be discussed. These new contracts are intended to begin August 1, 2012.

Community Communication Strategy

The three departments have developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- On May 18, 2012 DHS sent DHS clinics and CPs a letter updating them on transition timing and process issues.
- On June 4, 2012, the departments will host a provider information meeting to go over transition implementation plans.
- During the second half of June, several trainings will be provided for CP and DHS staff on eligibility and enrollment procedures for transitioning HIV patients.
- DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA.

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Page 6

- DHS posted a letter to patients about the transition on the HWLA website. This letter was also distributed to DHS and CP HIV providers for use with patients. A Spanish-language version of this letter has been created and has also been posted and distributed to providers. DHS plans to update this patient letter again before July 1, 2012.
- DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document, now posted on the DHSP website.
- DHS has created an email address providers can use to submit pharmacy-related questions on the transition.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS trained HWLA member services representatives to answer questions from transitioning RW clients.

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Los Angeles County Board of Supervisors

June 22, 2012

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Each Supervisor

FROM: *fen* Mitchell H. Katz, M.D.
Director of Health Services

SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN WHITE BENEFICIARIES**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Strategic Planning Deputy Director

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that are not currently part of the HWLA network. On December 21, 2011, DMH notified your Board of its intent to execute Agreements or Amendments with RW providers. DPH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

The proposed Waiver amendment is still under review by the federal Centers for Medicare and Medicaid (CMS).

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RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing

The California State Office of AIDS (OA), through its AIDS Drug Assistance Program (ADAP), is now preparing to adjust its eligibility screening process to include Low Income Health Program (LIHP) eligibility as of July 1, 2012. Patients will be transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP. Because HWLA application processing takes a few weeks, DHS anticipates that a relatively small volume of patients will actually be enrolled and fully transition to HWLA during July. ADAP benefits will continue while patients are going through the HWLA application process.

Since last fall, DHS, DMH and DPH have been working together closely to put appropriate systems in place to support transitioning HIV patients. As the transition date nears, the Departments have increased communication and training activities for HIV care providers, and are finalizing implementation of the pharmacy network and other critical implementation details as described further below.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. At this time, all current HWLA CPs have signed contract amendments. In addition, all seven RW providers that were offered new agreements have signed and are now HWLA CPs. Therefore, transitioning HIV patients in Los Angeles County will not have to change doctors.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

On June 19, 2012, the Board approved authority for DHS to execute a temporary month-to-month contract with Ramsell Public Health Rx for pharmaceutical costs, pharmacy dispensing fees and contract pharmacy administrator services. Ramsell, DHS, and HIV CPs are in the process of implementing the contracted pharmacy network for HIV patients.

Most CPs have signed agreements with Ramsell, and other clinics, including DHS clinics, have agreements in process. These contracts will allow clinics to have expanded pharmacy networks tailored to meet the needs of their patients, and to streamline pharmacy billing and reimbursement processes.

CPs are not required to participate in the Ramsell contract. However, all CPs, regardless of whether they have signed an agreement with Ramsell, are required to provide medically necessary medications to patients as part of their HWLA contracts. DHS has explained this requirement, and CP alternatives to contracting with Ramsell, at provider meetings on March 15 and June 4, 2012; in a provider letter sent May 18, 2012; and during individual outreach to providers.

DHS staff is now working with clinics in various stages of the pharmacy contract process to ensure that they have adequate access to pharmaceuticals for their patients by July 1, 2012.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients will be screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

These providers are receiving training from DPH, DHS and OA on changes to the ADAP process, the HWLA program and HWLA screening and enrollment during trainings taking place between June 18 and June 29. This includes training on Your Benefits Now (YBN), the new HWLA enrollment system being rolled out throughout the County.

HWLA resources are also available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures, FAQs, and the weekly HWLA enrollment call for all providers and staff. If needed, DHS will provide additional follow-up training after ADAP eligibility workers have gained a few months of experience doing HWLA enrollment.

OA has confirmed that ADAP will fulfill medication needs of Los Angeles County patients for 90 days while their HWLA applications are processed. There are provisions for additional 30 day refills and grace periods under certain circumstances for individuals with unresolved status at the end of the initial grace period.

DHS is also reviewing membership materials provided to new HWLA enrollees to determine if any modifications are needed to information related to selection of medical homes.

Mental Health

HWLA mental health contracts and contract amendments have been executed with Catholic Healthcare West - St. Mary Medical Center, Children's Hospital Los Angeles, the City of Pasadena, the Los Angeles Gay and Lesbian Community Services Center, and Northeast Valley Health Corporation. DMH is presently developing a HWLA contract with the City of Long Beach. One other provider, AIDS Healthcare Foundation, has indicated their intent to execute a HWLA mental health contract, but has not yet done so. Lastly, three providers, The Catalyst Foundation for AIDS Awareness and Care, Miller Children's Hospital at Long Beach Memorial Medical Center, and Watts Healthcare Corporation have declined to execute a HWLA mental health contract. DMH is working with these CPs to establish referral relationships to DMH directly-operated providers for patients in need of specialty mental health services.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

DHSP is commencing deployment of new contracts for medical outpatient services, as well as new and amended contracts for medical care coordination (MCC). DHSP held a meeting with Ryan White medical outpatient providers on May 22, 2012, at which time the implementation of new medical outpatient services and medical care coordination services were discussed. These new contracts are intended to begin November 1, 2012.

Community Communication Strategy

The three departments have developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- On May 18, 2012 DHS sent DHS clinics and CPs a letter updating them on transition timing and process issues.
- On June 4, 2012, the departments hosted their 6th provider information meeting since September to go over transition implementation plans.
- During the second half of June, several trainings will be provided for CP and DHS staff on the HWLA program, eligibility and enrollment procedures for transitioning HIV patients.
- DPH is working in collaboration with the Commission on HIV to develop materials for patients who will be impacted by the transition to HWLA.
- DHS has posted FAQs and other HWLA information on its website.
- DPH has set up an e-mail account for medical providers to submit their HWLA transition questions. Questions will be answered weekly via a Frequently Asked Questions document, now posted on the DHSP website.
- DHS has created an email address providers can use to submit pharmacy-related questions on the transition.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS trained HWLA member services representatives to answer questions from transitioning RW clients.

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Page 6

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



Health Services
LOS ANGELES COUNTY

July 20, 2012

**Los Angeles County
Board of Supervisors**

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First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Strategic Planning Deputy Director

TO: Each Supervisor

FROM:  Mitchell H. Katz, M.D.
Director of Health Services



SUBJECT: **ENSURING CONTINUITY OF CARE FOR RYAN
WHITE BENEFICIARIES**

On September 20, 2011 your Board directed the Departments of Health Services (DHS), Public Health (DPH) and Mental Health (DMH) to 1) Notify the Board of Supervisors (Board) before any provider agreements or amendments are finalized; 2) Provide bi-weekly reports to the Board on the status of County efforts to obtain a Medicaid Waiver amendment to offset the additional County costs; and 3) Provide the Board offices with a written Ryan White patient care transition plan and monthly reports on efforts to ensure continuity of care.

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PROVIDER AGREEMENT NOTIFICATION

On September 30, 2011, DHS notified your Board of its intent to execute amendments to existing Healthy Way LA (HWLA) agreements and enter into new HWLA agreements with seven Ryan White (RW) providers that were not currently part of the HWLA network. On December 21, 2011, DMH notified your Board of its intent to execute Agreements or Amendments with RW providers. DPH will also notify your Board in advance of executing provider agreements related to this matter.

EFFORTS TO OBTAIN MEDICAID WAIVER AMENDMENT

The Waiver amendment has been approved by the federal Centers for Medicare and Medicaid (CMS), and will be included in the Waiver as Delivery System Reform Incentive Pool (DSRIP) Category 5. Within the next two months DHS, as well as health systems in other counties, will submit their DSRIP Category 5 plans to the California Department of Health Care Services (DHCS) for review.



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RYAN WHITE PATIENT CARE TRANSITION PLAN

Transition Timing

The California State Office of AIDS (OA), through its AIDS Drug Assistance Program (ADAP), adjusted its eligibility screening process to include LIHP eligibility as of July 1, 2012. Patients are now being transitioned on a monthly basis, according to birth month, as part of their annual redetermination of eligibility for ADAP. Because HWLA application processing takes a few weeks, a relatively small volume of patients have actually been enrolled in HWLA so far during July. ADAP benefits will continue for patients while they are going through the HWLA application process.

For several months, DHS, DMH and DPH have been working together to put appropriate systems in place to support transitioning HIV patients. Status of key elements of the transition plan is summarized below.

DHS Healthy Way LA Contracts

HWLA contracts for current Community Partners (CPs) were updated to include HIV services and add the pharmacy dispensing fee approved by your Board on September 20, 2011. In addition, HWLA contracts were offered to the seven RW providers that were not previously HWLA CPs. DHS made the amendments and contracts available to current and potential CPs for execution by November 1, 2011. At this time, all current HWLA CPs have signed contract amendments. All seven RW providers offered new agreements have signed and are now HWLA CPs. Therefore, transitioning patients in Los Angeles County will not have to change doctors.

Ensuring Access to Pharmaceuticals

Under the leadership of its Chief Pharmacy Officer (CPO), DHS is taking several steps to ensure that medication access is not disrupted for RW patients transitioning to HWLA.

On June 19, 2012 your Board approved authority for DHS to execute a temporary month-to-month contract with Ramsell Public Health Rx (Ramsell) for pharmaceutical costs, pharmacy dispensing fees and contract pharmacy administrator services. Ramsell, DHS, and HIV CPs have taken significant steps in the implementation process for the contracted pharmacy network for HIV patients.

Most CPs have signed agreements with Ramsell, and other clinics including DHS clinics, have agreements in process. These contracts allow clinics to have expanded pharmacy networks tailored to the needs of their patients, and to streamline pharmacy billing and reimbursement processes. There are a few CPs without onsite pharmacies that have not yet completed all steps to implement their pharmacy networks.

These are low-volume HIV providers and DHS is working with them on a case-by-case basis to make temporary pharmacy arrangements for any patients that transition before their networks are in place.

CPs are not required to participate in the Ramsell contract. However, all CPs, regardless of whether they have signed an agreement with Ramsell, are required to provide necessary medications to patients as part of their HWLA contracts. DHS has explained this requirement, and CP alternatives to contracting with Ramsell, to all providers.

Ensuring Continuing Access to Specialty Care

Currently RW patients access specialty care in the following ways: 1) referral to DHS; 2) through a network of specialists known as the CHAIN network, funded by DHSP and managed by AIDS Healthcare Foundation (AHF); and 3) onsite at RW provider sites.

DHS has constructed revised HWLA Matched contracts to allow HIV providers to continue to access specialty care through these mechanisms to ensure continuity of care. HWLA referrals to the CHAIN network will be managed through DHSP RW contracts (with billing to HWLA), and will be governed by the same referral protocols and utilization review procedures currently in place for RW contracts. Only HIV-related specialty needs will be referred to CHAIN, which is consistent with the current RW system.

DHS, DHSP and AHF are currently working together to complete the proposed specialty contract for Board approval. In the meantime, DHS has provided HIV clinics with interim procedures for referring HIV patients for specialty care, which include referral into DHS specialty clinics and mechanisms for obtaining care by external specialists when it cannot be provided at a DHS clinic in a timely manner, or to avoid disruption of ongoing care by a specialist.

In addition, DHS continues to decompress DHS specialty clinics and increase access for all patients, including those transitioning from RW. HIV providers are also included in the roll-out of eConsult throughout DHS and its community partners.

Eligibility Screening and Enrollment for RW Patients

DHS and DPH have developed a process to streamline eligibility screening and enrollment for HWLA-eligible RW patients. Patients are screened for HWLA during their annual ADAP eligibility screenings, which usually take place at their HIV provider location or an AIDS service organization. DHS has provided training for ADAP enrollment workers to allow them to also submit HWLA applications for patients, and check the status of those applications electronically. This process facilitates HWLA transition for the patient using providers and processes they are already familiar with.

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Page 4

Participants in the General Relief (GR) program, including RW patients, were auto-enrolled into HWLA in June. Some GR patients were not enrolled at the correct medical home because visit history did not include the seven new HIV CPs. We have advised CPs and DHS HIV clinics that patients can correct this problem and change their medical home by calling HWLA member services at 877-333-4952.

Providers received training from DPH, DHS and OA on changes to the ADAP process, the HWLA program and HWLA screening and enrollment during trainings that took place between June 18 and June 29. This included training on Your Benefits Now (YBN), the new HWLA enrollment system being rolled out throughout the County. Providers were offered additional YBN training opportunities during the first two weeks of July.

DHS has also been holding weekly conference calls with transitioning HIV clinics to discuss any transition issues providers are experiencing, and a HWLA training for HIV case managers is planned for August.

HWLA resources are also available to providers via DHS' HWLA website www.ladhs.org/hwla, including training videos and materials, all necessary forms and documentation, HWLA brochures and FAQs.

OA has confirmed that ADAP will fulfill medication needs of Los Angeles County patients for 90 days while their HWLA applications are in process. There are provisions for additional 30 day refills and grace periods under certain circumstances for individuals with unresolved status at the end of the initial grace period.

Mental Health

HWLA mental health contracts and contract amendments have been executed with AIDS Healthcare Foundation, Catholic Healthcare West - St. Mary Medical Center, Children's Hospital Los Angeles, the City of Pasadena, the Los Angeles Gay and Lesbian Community Services Center, and Northeast Valley Health Corporation. One other provider, the City of Long Beach, has indicated their intent to execute a HWLA mental health contract but has not yet done so. Three providers, The Catalyst

Foundation for AIDS Awareness and Care, Miller Children's Hospital at Long Beach Memorial Medical Center, and Watts Healthcare Corporation declined to execute a HWLA mental health contract, so DMH established referral relationships for these CPs with DMH directly-operated and Legal Entity contract providers for patients in need of specialty mental health services. A provider meeting is scheduled for July 31, 2012.

RW-Funded Contracts

DHS and DPH have determined that a significant portion of Angelenos living with HIV will continue to rely on a mix of HWLA and RW-supported services in order to thrive. To this end, DHSP will amend relevant contracts to deploy linkage and care coordination services not covered under HWLA. These services will be deployed in the medical homes chosen by patients seeking HWLA/RW-supported HIV medical services.

DHSP is commencing deployment of new contracts for fee-for-service (FFS) medical outpatient services, as well as new and amended contracts for medical care coordination (MCC). These new contracts are intended to begin November 1, 2012.

Community Communication Strategy

The three departments have developed a communication strategy to ensure that stakeholders are able to access information regarding the HWLA transition. The communication strategy includes the following:

- The departments have hosted multiple HIV provider meetings in the past several months.
- DHS and DHSP staff have presented transition information to stakeholders at several meetings of the Los Angeles County Commission on HIV
- DHS has posted FAQs and other HWLA information on its website.
- DHS hosts a weekly conference call for HIV clinics to discuss transition issues.
- DPH has also set up an e-mail account for medical providers to submit their HWLA transition questions. A Frequently Asked Questions document is also posted on the DHSP website.
- DHS has created an email address providers can use to submit pharmacy-related questions on the transition.
- DHS and DPH have also participated in numerous calls and meetings with pharmacies to answer questions about pharmacy plans for the transition.
- DHS trained HWLA member services representatives to answer questions from transitioning RW clients and assistance is available to patients 24 hours per day, seven days a week at the member services phone number 877-333-4952.

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Page 6

NEXT STEPS

DHS, DPH and DMH will continue working together, and with HIV community providers, to ensure continuity of care for patients transitioning from RW to HWLA; and will provide ongoing status updates to your Board.

If you have any questions or require additional information, please let me know, or you may contact Wendy Schwartz, Director of Board Relations, at 213-240-8104.

MHK:ws

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors